CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD LOS ANGELES REGION
CEASE AND DESIST ORDER NO. R4-2002-XXXX REQUIRING HALACO ENGINEERING CO. TO UNDERTAKE ACTIONS TO COMPLY WITH WASTE DISCHARGE REQUIREMENTS CONTAINED IN ORDER NO. 80-58
(FILE NO. 70-24)

The California Regional Water Quality Control Board, Los Angeles Region (Regional Board) finds:

1. Halaco Engineering Co. (hereinafter Halaco, or Discharger) has operated a metals recycling plant, including a foundry, and waste management facility[1] located at 6200 Perkins Road, Oxnard, California. Halaco has operated at this site, which totals 43 acres, since 1965.[2]

2. Halaco commenced discharge of liquid wastes to a surface impoundment[3] integral to the waste management unit[4] under waste discharge requirements specified in Resolution No. 70-63, adopted by this Regional Board on September 23, 1970. The Regional Board revised the current effective waste discharge requirements, on October 27, 1980, when it adopted Order No. 80-58, a copy of which, as amended by State Board Order WQ 81-14, issued on September 17, 1981, is attached hereto as Exhibit A and incorporated herein by reference.

3. Halaco also discharges storm water under the State's General Permit for Storm Water Discharges Associated with Industrial Activities (General Permit) Order No. 97-03 DWQ NPDES General permit Number CAS000001. Halaco filed a Notice of Intent (NOI) to discharge its storm water on November 19, 1991, and re-certified its NOI on May 27, 1997.

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[1]Waste management facility is defined in California Code of Regulations, title 27, section 20164, as: "the entire parcel of property at which waste discharge operations are conducted. Such a facility may include one or more waste management units."

[2]Prior to commencing operations in the City of Oxnard in 1965, Halaco operated a foundry in the City of Gardena. Halaco moved its operations in 1965 to a coastal location in Oxnard "where temperatures would be lowered naturally, there was no danger of polluting potable water, and disposal of the waste ... would be lawful." [42 Ca1.3d 52 at 58-59, California Supreme Court]

[3]A surface impoundment is defined in California Code of Regulations, title 27, section 20164, as: "a waste management unit which is a natural topographic depression, excavation, or diked area, which is designed to contain liquid wastes or wastes containing free liquids, and which is not an injection well."

[4]Waste management unit is defined in California Code of Regulations, title 27, section 20164, as: "an area of land, or a portion of a waste management facility, at which waste is discharged. The terns includes containment features and ancillary features for precipitation and drainage control and for monitoring."

HALACO' S OPERATIONS AND WASTE

4. Halaco produces aluminum and magnesium ingots at the foundry, where it smelts non-ferrous[5] scrap (e.g. drosses,[6] skimmings, and other scrap) in large furnaces using a flux of chlorides of magnesium, sodium and potassium to separate metals from metal oxides and other impurities. In order to remove contaminants (dirt and other impurities) from the scrap prior to smelting, Halaco washes the scrap with water. After smelting, Halaco recovers more aluminum and magnesium by washing slag (a by-product from the smelting).

   Through this washing process, Halaco generates large volumes of washwater waste, in the form of a slurry, at a rate of 472,000 gallons/month. This slurry consists of

   -wastewater containing metals, salts, and ammonia, and
   -suspended solids (7% by weight, according to Halaco) consisting of undissolved metal oxides, dirt, and other impurities.

   The waste washwater is discharged to a surface impoundment located on the Discharger's property east of the operations plant and immediately north of the coastal sand dunes and separated by a service road from the east bank of the Oxnard Industrial Drain, which transects the Halaco property.

5. The Halaco site totals about 43 acres and is located in Section 27, TlN, R22W, San Bernardino Baseline and Meridian, within the Oxnard Hydrologic Subarea. The Halaco facility is divided into two separate land units by the Oxnard Industrial Drain. The 15-acre western side is used for Halaco's manufacturing processes. The 28-acre eastern side, which contains the surface impoundment and the waste disposal area, is referred to herein as the waste management unit (WMU).

6. A surface impoundment covers an area of approximately 15 acres on the southern portion of the WMU while the northern portion is used for solid waste disposal. Natural ground surface elevations on the eastern and southern boundaries of the surface impoundment are approximately 4 feet above sea level. Solid wastes that settle and accumulate in the surface impoundment are periodically excavated and placed on the berms of the surface impoundment or placed on the disposal area located north of the surface impoundment.

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[5]Non-ferrous: not made of or containing iron.

[6]Dross: 1. a scum formed on the surface of molten metal 2. waste matter, ...

Halaco has continued this excavation and piling process since the 1970's. Board staff estimate that the solid waste currently accumulated in the surface impoundment area varies from approximately 20 to 40 feet in thickness with a volume of approximately 430,000 cubic yards.

7. Halaco has reported that the surface impoundment was initially constructed by creating berms surrounding the unit with native soil from the site forming the outer portion of the berms, and clay from the site forming the inner portion of the berms. Subsequently, solid waste that settled in the impoundment was dredged and piled on the berms to supplement the berms. Baghouse dust and waste from an air scrubber was discharged to Halaco's dross pile and washed, and the residue was subsequently discharged to the surface impoundment of the WMU.

THE HALACO SITE AND DESIGNATED BENEFICIAL USES

8. The waste management unit is situated immediately landward of the coastal sand dunes in an area where, according to a survey map submitted by the discharger, the natural ground surface elevations vary from about zero to seven feet above sea level.

9. In its Water Quality Control Plan for the Los Angeles Region (1994), as amended, (hereinafter, the *Basin Plan*) the Regional Board designated beneficial uses for the following inland waters which are in proximity to the site:

Ormond Beach Wetlands: In the *Basin Plan*, the Regional Board has designated the following existing uses for the Ormond Beach Wetlands: habitat for estuarine and wetland ecosystems, wildlife, and rare, threatened or endangered species; as well as contact and non-contact water recreation. The status of a portion of these wetlands (whether or not they are "jurisdictional" and subject to section 404 of the Clean Water Act) has been a matter of dispute between Halaco and the US Army Corps of Engineers. A court has ruled in favor of Halaco, and the wetlands, specifically the wetland area to the north of the Waste Management Unit, are not considered "jurisdictional" at this time.

Ormond Beach: Also in the *Basin Plan*, the Regional Board has designated many existing uses for Ormond Beach, among which include: contact and non-contact water recreation; habitat for marine ecosystems, wildlife, and rare, threatened or endangered species; navigation; shellfish harvesting; and commercial and sport fishing.

Oxnard Industrial Drain: This stream, or channel, was constructed around the turn of the 19th century to drain agricultural areas, including an area supporting a sugar processing plant that discharged wastewater. It is 4 miles in length, and drains about 6,000 acres in eastern Oxnard

before emptying into the Ormond Beach Wetlands (see beneficial uses described above). Although the *Basin Plan* does not specifically identify the Oxnard Industrial Drain, beneficial uses designated for downstream waters (Ormond Beach and the Ormond Beach Wetlands) would apply to the Oxnard Industrial Drain, using the "tributary rule."

Groundwater: Groundwater underlying the site is part of the aquifer system underlying the Oxnard Plain. In the *Basin Plan*, the Regional Board has designated the following existing beneficial uses of this ground water: municipal and domestic supply (i.e. drinking water), and agricultural supply. In addition, the Board has designated industrial service supply as a potential use of groundwater.

10. A semi-perched groundwater body, about 50 feet thick, underlies the Halaco site and the movement of groundwater is generally towards the ocean. The current groundwater flow regime is unknown; Halaco's existing groundwater monitoring network is not capable of providing this information. Finding 14 of Order No. 80-58 acknowledges that because of its very poor mineral quality, waters from the semi-perched aquifer are not used for domestic, agricultural, or industrial water supply in any significant quantity.

11. This Regional Board is obligated to protect all waters of the state. Though the areas abutting the Halaco property east of the Oxnard Industrial Drain have not to this point been classified as a federal jurisdictional wetland (with regards to the specific regulatory issues surrounding CWA Section 404 fill activities), they are wetland areas as defined by both the California Department of Fish and Game (CDFG) and California Coastal Commission wetland delineation guidelines and are part of the greater Ormond Beach Wetlands complex referred to in the document *"City of Oxnard, Wetlands Delineation for a Portion of the Ormond Beach Specific Plan Area,"* prepared by Impact Sciences, Inc. November 2000. Additionally, the document "*Port Hueneme Water Agency, Final EIR, Water Quality Improvement Program*," prepared with the assistance of Woodward-Clyde Consultants, May 9, 1996, states that the Oxnard Industrial Drain flows into the Ormond Beach Lagoon and that the Lagoon is hydraulically connected and is considered by the Regional Board to be a part of to the greater Ormond Beach Wetlands via a small drainage channel.

ORDER NO. 80-58

12. Order No. 80-58 includes specific findings that address concerns regarding migration of waste and leachate to shallow groundwater and subsequently to adjacent surface waters. These findings are as follows:

a). Finding 5. *...settled solid wastes accumulated within the pond are excavated and disposed of on this parcel [waste management unit] which is not protected from flooding or erosion by runoff from tributary areas.*

b). Finding 7. ... *The [Oxnard Industrial] drain within this reach is unlined and may be subject to lateral infiltration by leachate from the discharge site.*

c). Finding 11. *The discharge areas, except receiving pond, do not have adequate protection from tributary runoff or inundation from flooding, nor are there adequate structures to confine wastes or leachate to the discharge areas. Also there is no monitoring system for determining whether the wastes or waste leachate are being prevented from reaching waters of the State.*

d). Finding 15. *Nearshore ocean waters are beneficially used for the preservation of marine habitat and rare and endangered species, contact and non-contact water recreation, shellfish harvesting, commercial and sport fishing, and navigation. Based on the foregoing, the discharge may affect the waters of the State and as such is properly the subject of waste discharge requirements*.

APPARENT FAILURE TO COMPLY WITH ORDER NO. 80-58

13. Order No. 80-58 specifies that Halaco was to submit within 60 days of the adoption of the Order the following for approval of the Executive Officer a detailed operations plan. Halaco may have failed to fully comply with these requirements, in that it may not have submitted to the Regional Board a complete detailed operations plan.

14. The Regional Board has conducted inspections on August 14, 1998, August 19, 1999, August 25, 1999, and March 9, 2000 at the Halaco facility that document apparent violations of Order No. 80-58. These include:

a). The apparent existence of seeps of leachate from the waste management unit that are not intercepted by collection drains and sumps as required by Section A. 6. (Order 80-58).

b). The apparent existence of eroded slopes on the embankments of the surface impoundment such that wastes may be transported from the site thereby not preventing such erosion as required by Section A. 7. (Order 80-58).

c). The apparent failure of Halaco to demonstrate, to the Regional Board's satisfaction, the existence of positive hydraulic barriers with permeabilities of less than 1 x 10^{-6} cm/sec beneath and around the settling pond and around the berms or expanded berms as required by Section A. 5. (Order 80-58).

d). The apparent absence of any observable protective measures to prevent against 100-year floods or tides as required by Section A.8. (Order 80-58).

e). The apparent flow of leachate from the containment dikes or berms onto areas outside the property boundary of the site as prohibited by Section A. 3. (Order 80-58).

f). Submittal of monitoring reports which apparently did not comply with the Monitoring and Reporting Program No. 5673 adopted as part of Order 80-58.

g). Apparent failure to properly maintain monitoring wells as required by the Well Accessibility and Protection provisions of the Monitoring and Reporting Program No. 5673 adopted as part of Order 80-58.

h). Apparent failure to conduct monitoring in the event standing water is observed (from whatever source) outside and within 25 feet of the containment dikes or berms as required by the Monitoring and Reporting Program No. 5673 adopted as part of Order 80-58.

15. With regard to compliance with General Permit for releases of storm water, since 1998, Board staff have determined that Halaco's annual reports of self-monitoring reports may be incomplete, in that Halaco:

- May have failed to analyze samples for toxic chemicals and other pollutants, and
- May have sampled only one point of release for the entire site, instead of sampling all points of release for the entire site.

Furthermore, the monitoring data that Halaco did submit for releases of storm water show apparent exceedances of USEPA benchmarks for conventional pollutants and parameters, indicating that "best management practices" in Halaco's Storm Water Pollution Prevention Plan (SWPPP) may not be as effective as they should be in reducing pollutants in storm water. Upon a review of Halaco's SWPPP and annual reports of self-monitoring, staff notified Halaco, in a letter dated March 29, 2001, identifying apparent deficiencies in its SWPPP. Halaco may not have adequately corrected these deficiencies as of September 5, 2001, when the Executive Officer issued Halaco a Notice of Violation for Halaco's apparent

failure to adequately correct deficiencies in its SWPPP per requirements of Section A of the General Permit. On October 16, 2001, Regional Board staff received a revised SWPPP from Halaco. Staff are in the process of completing review of this revised SWPPP, and Halaco may be in compliance at this time. These apparent prior, and possibly continuing, violations may have contributed to conditions at Halaco which may have allowed migration of waste from the waste management unit to adjacent property and to waters of the state.

POTENTIAL OFF-SITE MIGRATION OF HALACO WASTES

16. Data that present sediment metal concentrations from areas near Halaco suggest to the Regional Board that it is possible that contaminants may have been released from the Halaco site and impact adjacent land areas. However, no scientifically definite conclusion can be made with present information.

In a Phase II environmental site assessment conducted by Ninyo & Moore Geotechnical and Environmental Sciences Consultants in 1997, thirteen samples were taken from adjacent property owned by the Metropolitan Water District of Southern California (MWD). Two sediment samples, identified as SED-1 and SED-2, were collected, SED-1 from the Oxnard Industrial Drain and SED-2 from the drainage ditch adjacent to the extension of McWane Blvd. located north of Halaco's WMU and running eastward to the paved portion of McWane Blvd. SED-2 was located directly adjacent to (but outside) Halaco's property line, while SED-1 was collected approximately 800 feet to the north of Halaco's property line. Besides the sediment samples, 11 borings were drilled from which soil samples were collected. One of the soil samples, S-4-0.5, was collected approximately 1,000 feet to the east of Halaco's WMU at a depth of 0.5 feet and may represent local background concentrations. One of the soil samples S-3-0.5 was collected adjacent to (but outside) Halaco's property immediately east of Halaco's WMU. Results from these samples are listed in the table below.

	SED-2	SED-1	S-4-0.5	S-3-0.5
Barium (mg/Kg)	190	90.4	76.8	91.4
Cobalt (mg/Kg)	8.5	4.28	5.01	5.7
Copper (mg/Kg)	86.7	19.1	11.5	24.9
Lead (mg/Kg)	91.5	29.9	5.59	6.21
Nickel (mg/Kg)	15.9	7.4	8.42	9.31
Selenium (mg/Kg)	53.5	32.4	41.6	32.6
Zinc (mg/Kg)	259	79.0	34.4	46.1

These analytical data indicate that metal concentrations of SED-2 are consistently higher than that in SED-1 and S-3-05. Because Halaco's solid waste contains higher concentrations of most of these specific metals, the Regional Board believes this data could possibly suggest that metals may have been released from Halaco's WMU onto adjacent areas, although the Ninyo & Moore report concluded the occurrence of the various contaminants detected in the soil and sediment samples does not appear to be consistently related to one specific area of the MWD site.

EFFORTS TO OBTAIN COMPLIANCE FROM HALACO

17. This Regional Board has made multiple efforts to elicit compliance from Halaco with regard to some of the apparent violations noted above. In correspondence dated March 21, 2000, April 12, 2001, August l, 2001, and August 30, 2001, the Regional Board requested that Halaco submit more complete information to address the technical points regarding some of these apparent violations. Halaco's responses, which include, but are not limited to, letters of April 27, 2000, and August 15, 2001, have not been deemed adequate by the Regional Board. Though Halaco has partially addressed some activities such as the completion of a topographic survey (but lacking registered land survey and flood and tide details), provided data regarding waste characterization, and some site geological information, Halaco has yet to submit complete information addressing these issues as determined by the Regional Board. Halaco, as a result of acts of nature and/or third parties, does not have a comprehensive groundwater monitoring program in place that can effectively monitor the site in conformance with its Waste Discharge Requirements (Order 80-58). In addition, Halaco has not established engineered berms with engineered sideslope

stability to prevent erosion and seeps, may not have completed the land survey with flood and tide level information, and may not have constructed a leachate/seep collection system. Halaco may not be currently in compliance with these provisions and a time schedule is provided in this Order to ensure compliance by specified dates.

HALACO'S INTENTIONS FOR FUTURE OPERATIONS

18. On October 30, 2001, this Regional Board received a report of waste discharge (ROWD), dated October 29, 2001, in which Halaco proposes to change operations at the existing waste management unit. Then, at a special Board meeting in the City of Agoura Hills on November 13, 2001, Halaco submitted a Progress Report that provides additional information regarding the proposed change in operations. Subsequently, on December 3, 2001, Halaco submitted a Revision of Halaco's ROWD and Further Progress Report, in which Halaco has indicated that it intends to completely cease discharges to the Waste Management Unit in the near future.

The ROWD proposes a filter press process that will separate the solids from the liquid in the slurry effluent. The clear liquid will be discharged to the local sewer system or recycled on site, while the separated solid waste, which contains approximately 20% moisture, will be sold as a product material to outside entities. Because the proposed process will change the WMU from a surface impoundment to a solid waste management facility (landfill), the existing WDRs would have to be revised to reflect these changed conditions. Regulation as a solid waste management facility may require further clarification of the nature of the waste which, when determined, may subsequently identify the appropriate operational/closure requirements that should apply.

Though the ROWD proposes an improved site process over the current operation, it has not yet been approved. In correspondence dated November 20, 2001, this Regional Board noted deficiencies in the ROWD. In correspondence dated December 5, 2001, Halaco has raised questions regarding the appropriateness of the technical deficiencies and the need for identified information in light of their subsequent intention to cease discharge.

CEASE AND DESIST ORDER PROVISIONS

19. Because Halaco is presently operating under the authority of Order No. 80-58, which, in part, mandates containment of waste and waste leachate, and which mandates the submittal of technical information demonstrating containment, and, because Halaco may not have complied with the requirements of Order No. 80-58, this Order with Time Schedule is necessary.

20. California Water Code section 13301 provides, in part: When a regional board finds that a discharge of waste is taking place or threatening to take place in violation of requirements or discharge prohibitions prescribed by the regional board or the state board, the board may issue an order to cease and desist and direct that those persons not complying with the requirements or discharge prohibitions (a) comply forthwith, (b) comply in accordance with a time schedule set by the board, or (c) in the event of a threatened violation, take appropriate remedial or preventive action.

21. This enforcement action is being taken for the protection of the environment and as such is exempt from the provisions of the California Environmental Quality Act (Public Resources Code section 21100 et seq.) in accordance with section 15321, title 14, California Code of Regulations.

HALACO'S LIMITED ACCEPTANCE OF FINDINGS

22. The Regional Board acknowledges that, notwithstanding statements herein indicating apparent or possible violations by Halaco of Order No. 80-58, or referring to facts potentially suggesting such violations, Halaco contends that no such violations exist and has provided evidence to the Regional Board which Halaco believes to support such contention, and Halaco has not agreed that reports referenced herein provide competent support for findings to which they relate. Halaco is not estopped to contest and has not waived its rights to contest any of the findings herein in any proceeding involving Halaco (whether brought by the Regional Board or any third party), with one exception: should the Regional Board bring any proceeding to enforce the provisions of this cease and desist order, including a clean-up and abatement order based on any alleged violation of the cease and desist order, in such event and only in such event, Halaco may not contest the findings herein.

This Regional Board has notified the Discharger, interested agencies and persons, including stakeholders of the watershed, of its intent to issue a Cease and Desist Order concerning violations or threatened violations of waste discharge requirements.

This Regional Board, in a public hearing, heard and considered all comments pertaining to the discharge and to the Cease and Desist Order.

IT IS HEREBY ORDERED that, pursuant to California Water Code section 13301, Halaco Engineering Co. shall cease and desist from operating in apparent violation of Order No. 80-58 as described above. These apparent violations may include, but are not limited to: operating without documenting containment of the waste management unit; operating in a manner that does not control erosion; and monitoring wastes in a manner not fully compliant with Order No. 80-58. In addition, it is hereby directed that Halaco shall comply with the following time schedule.

TIME SCHEDULE

a) Halaco shall cease and desist from any disposal operations with respect to its WMU by November 30 , 2002, except operations which reduce waste in the WMU by recycling or other lawful means, maintenance operations and temporary storage (not to exceed four months) of materials to be processed.

b) Within 60 days of adoption of this order, with respect to long-term measures for drainage and erosion control, Halaco shall:

Submit a work plan, for approval by the Executive Officer, including detailed design drawings, providing the post-reconfiguration layout of the existing waste to a level of approximately 25 feet, including the angle of the perimeter slopes of the WMU, the type of soil to be added to the perimeter slopes, where that soil is to be added on the perimeter slopes, the depth of the soil covering the waste on the perimeter slopes, the method to be used for the compaction, and the types of plants to be planted. The work plan shall also include the dates of completion for the reconfiguration of the height of the discharged waste, the adding of soil, the compaction thereof, and the planting of the perimeter slopes.

Halaco shall start the work set forth in its approved work plan by Dec. 31, 2002. Halaco shall thereafter complete all that work within six months from the start date except that the temporary measures described herein shall be in place during reconfiguration of the WMU. Prior to the approval of the work plan , Halaco shall consult with the Executive Officer and representatives of the California Department of Heath Services – Radiologic Health Branch, and the Ventura County Air Pollution Control District, concerning the reconfiguration of the WMU.

c) Within 30 days of the adoption of this order, Halaco shall with respect to temporary measures for drainage and erosion control:

Submit a work plan concerning additional drainage and erosion control to supplement its revised work plan ("RWP") received by the Regional Board on April 27, 2000 which proposed a drain and sump collection system along the eastern berm of its WMU, consisting of a concrete-lined V ditch or open half pipe placed on the outer slopes of the berm where seepage was observed. This supplemental work plan shall provide a map showing where the V-ditch or open half-pipe is to be located along the eastern berm of the WMU,

provide the size thereof by way of depth, width and length of the ditch or pipe, the configuration of same, and the materials to be used, and provide that the completion date shall be no greater than three months from the Regional Board's approval of the work plan.

Halaco shall ensure that any leachate seeping from the WMU berm is contained, and, if collected in the V-ditch, is properly treated. Halaco may use any appropriate treatment technology to accomplish treatment, including but not limited to, the use of rotary washer and filter press.

The V-ditch or open half pipe is intended to collect any seepage from the east side of the surface impoundment to prevent seepage from migrating offsite.

d). Within 60 days of the adoption of this order, Halaco shall:

Submit a sampling plan for Halaco's waste consistent with the sampling plan provisions in U.S. EPA Manual SW 846 (October 1996), including the specific protocols for sampling procedures for approval by the Executive Officer. Given the data already available from previous sampling efforts and the expectation of the homogeneity of the waste stream, Halaco will only be obligated to conduct 20 additional samples of Halaco's waste in its WMU for purposes of characterization.

Within one month following approval of the sampling plan by the Executive Officer, Halaco will initiate characterization of its remaining solid waste. The purpose of the characterization is to determine if the waste is water soluble as to barium, copper, lead, and zinc. This characterization is to be performed using the STLC procedures but with deionized water instead of citric acid. In addition, Halaco will determine the concentration of ammonia in its remaining solid waste using the Standard Method 4500-Ammonia, as well as the concentration of thorium isotopes 228, 230, and 232 using standard methods. Further Halaco shall also characterize its remaining solid waste utilizing STLC procedures for barium, copper, lead and zinc. Halaco shall also determine the moisture content of the waste.

The characterization shall be performed by taking 20 samples of Halaco’s waste in its WMU as set forth in Halaco’s sampling plan with the sampling locations to be determined as provided in SW 846 for multiple samples from a single site. The 20 samples are each to be of the same quantity of waste

material, and are to be the largest quantity as is consistent with the approved sampling procedure for the depth of the WMU.

All testing and analysis shall be conducted by an ELAP certified testing laboratory, include all associated QA/QC data, and sampling shall be conducted under strict chain-of-custody requirements.

Halaco will submit a report of the characterization to the Regional Board within three months of initiating its characterization of its remaining solid waste as set forth above.

In the event sample results from STLC analyses exceed hazardous levels for barium, copper, lead, or zinc, and concentrations of thorium isotopes 228, 230, and 232, collectively, exceed 0.05% (1/20 of 1%--17 CCR section 30180(c)(2)) by weight ("Threshold Levels"), Halaco shall submit a plan to the Regional Board for approval by the Executive Officer, to take additional samples to determine the extent to which wastes exceeding such Threshold Levels extend from the original sampling point(s). Based on the results of any such additional sampling, Halaco shall ensure that any materials identified through such sampling that exceed the Threshold Levels shall not be removed from the WMU except in compliance with legal requirements.

No reconfiguration of the existing WMU may occur until approved by the Executive Officer following his review and approval of the results of the characterization study of the 20 samples referred to above.

The areas to be sampled shall be of areas within the WMU which are not currently being used for disposal of wet wastes. Only those areas where the waste is dry shall be sampled, provided that area represents 80% or more of the WMU.

e). Within 30 days of the adoption of this order, Halaco shall:

Submit a workplan and implementation schedule for decommissioning Halaco's existing monitoring wells. The workplan shall confirm that the wells will be decommissioned in accordance with the requirements in California Well Standard, Bulletin 74-90 issued by the California Department of Water Resources (June 1991) and the Ventura County Well Ordinance Number 4184. The work plan will further provide that the decommissioning work will be performed by or under the direction of registered geologists,

civil engineer, a registered hydrologist and that such professional will actually supervise or personally conduct all the work associated with the decommissioning. The work plan shall include a time schedule for the completion of the decommissioning work within 90 days after approval of the work plan.

f). Within 60 days of the adoption of this order, Halaco shall do each of the following:

1) Obtain the services of a registered professional generally knowledgeable about the ground water flow regime at the Halaco site;
2) Halaco's registered professional will participate in a meeting with Regional Board staff; and
3) Halaco's registered professional will discuss and make recommendations to the Regional Board staff, as to the appropriate number and locations for the installation of between five and eight groundwater monitoring wells and/or piezometers (as approved by Regional Board Executive Officer). The purpose of these wells shall be to investigate any past releases from the WMU and/or for monitoring any future releases from the WMU. The new monitoring wells and/or piezometers shall serve as the monitoring wells required in Order No. 80-58.

Within one month of the determination of the location of those monitoring wells and/or piezometers, Halaco shall submit a workplan and implementation schedule including well specifications, that the wells are to be constructed in accordance with the Ventura County Well Ordinance Number 4184, that the work is to be performed by or under the direction of a registered professional. The completion date for the installation of the wells will be no longer than four months from approval of the workplan. The workplan shall provide that no more than three of the wells will be required to monitor water to the depth of the semi-perched aquifer under Halaco's WMU unless groundwater contamination is discovered that can be reasonably determined as originating from the Halaco WMU.

The Regional Board shall not be precluded from requiring by subsequent order in accordance with the adjudicatory hearing proceedings set forth in paragraph (n) additional groundwater assessment in the event monitoring results show that a release from the WMU might have occurred.

As to the test results from the new monitoring wells and/or piezometers, following a preliminary determination by the Executive Officer that a release from Halaco's WMU has occurred, Halaco shall be given the opportunity to confer with the Regional Board staff to review the technical basis on which the determination is made. Specific issues to be discussed shall include how the determination takes into account any "proportional" distribution of chemical constituents found in the test results and in Halaco's waste.

Halaco shall retain the services of a registered professional generally knowledgeable about the ground water flow regime at the Halaco site and make that person available for consultations with the Executive Officer subsequent to submittal of the work plan until the monitoring wells and/or piezometers are installed and properly operating.

g). Within 60 days of the adoption of this order, Halaco shall do each of the following:

1) Obtain the services of a registered professional generally knowledgeable about the surface waters in the vicinity of the Halaco site;
2) Halaco's registered professional will participate in a meeting with Regional Board staff to confer with staff of the Regional Board; and
3) Halaco's registered professional shall propose the location of five surface water sampling locations at the Halaco site for Halaco to perform surface water sampling. Sampling locations are to be approved by the Executive Officer based on the recommendations by the registered professional. The surface water sampling at these five locations will be considered as meeting the surface water sampling requirements for the two surface sampling stations required in Order 80-58.

The monitoring wells and/or piezometers and surface water locations are to be sampled by Halaco at a minimum on a calendar quarterly basis for all parameters listed in the Monitoring and Reporting Program No. 5673, and the specific analytical methods to be used for that purpose are identified in Exhibit "B" which is attached hereto and incorporated herein by reference.

The first monitoring reports will be due at the end of the calendar quarterly period in which Halaco has completed the construction of its new monitoring wells and/or piezometers and the location for the surface water sampling has been approved by the Executive Officer.

h). Within 60 days of the adoption of this order, Halaco shall:

Submit an engineering survey in conjunction with the land survey boundary topo map, completed by a registered civil engineer, with the resulting survey showing waste management unit boundaries located with respect to the property boundaries and with respect to the 100-year floodplain and tides.

i). Within 60 days of the adoption of this order, Halaco shall:

Conduct a survey of the waste management facility boundaries. The survey shall be conducted by a licensed land surveyor and temporary boundary monuments placed so the property corners can be observed. The land surveyor shall submit to the Regional Board a land survey boundary topo map. Thereafter the land surveyor shall prepare a record of survey, secure approval of same for recording, record it, and pursuant thereto place permanent monuments at the property corners, all to be completed by May 30, 2002 with a copy of the record of survey to be provided to the Regional Board within two weeks of its being recorded.

j). If Halaco has not evaporated the water in its settling ponds in its surface impoundment within eight calendar months of the adoption of this order, then Halaco will within three months thereafter submit a workplan and implementation schedule for fully characterizing the site and evaluating the hydraulic barriers and any natural geologic material serving as a liner and its continuity around and under the WMU.

k). Within 60 days of the completion of reconfiguration of the WMU, Halaco shall submit the following:

A study of slope stability (seismic) analysis and flood structural stability analyses (as reasonably defined by Halaco's consultant) for the reconfigured waste management unit; if the study shows slope instability and/or flood structural instability of the reconfigured WMU, then within three months of submission of the study, Halaco shall further submit to the Regional Board a workplan and implementation schedule to address any such instability.

l). If Halaco has not evaporated the water in its settling ponds in its surface impoundment within eight calendar months of the adoption of this order, then Halaco will within three months thereafter submit a report characterizing its liquid waste with respect to the constituents and employing the methods referenced in Exhibit B hereto.

m). Not later than May 1, 2003, Halaco shall submit an interim technical report which, for such quantities of waste that it intends to remove from its WMU, will provide an operations plan for such removal of waste to offsite location(s) for use as product, cover material, fill material, or other lawful uses. Commencing on May 1, 2003, in the event that Halaco does not convey any waste from the WMU from the site in any 12 month period thereafter, Halaco shall initiate final closure requirements as provided by Provision B.8 in Order No. 80-58.

n). All plans, workplans, and workplan schedules required in this Order must be approved by the Regional Board Executive Officer. In addition, any engineered plan, workplan, or survey must be certified by appropriate professionals with certifying authority. To the extent the Regional Board Executive Officer disapproves of any plans, workplans, or workplan schedules which are submitted in conformity with the requirements set forth herein, the Regional Board will provide Halaco and all interested persons with at least 45-day notice of an adjudicatory hearing before the Regional Board regarding any such disapproval. To the extent the Regional Board Executive Officer requires the inclusion of anything in such plans, workplans or workplan schedules not specifically set forth herein, the Regional Board shall provide at least 45 days notice to Halaco and all interested persons of an adjudicatory hearing before the Regional Board concerning such inclusion. The time period between the submittal of any such plans, workplans, or workplan schedules and the approvals thereof by the Executive Officer will automatically extend the time periods set forth herein for a like period of time.

o). Halaco shall submit monthly progress reports to this Regional Board describing the progress of any actions undertaken to comply with the requirements of this Cease and Desist Order. The first progress report is due by the end of the first calendar month which is at least 30 days after this Cease and Desist Order being issued and becoming final as to Halaco.

p). Each monthly progress report shall be signed by:

In the case of a corporation, the chief executive officer or his/her authorized representative, if the representative is responsible for the operation from which the discharge originates;

In the case of a partnership, by a general partner;

In a case of a sole proprietorship, by the proprietor;

In the case of a municipal, state or other public facility, by either a principal executive officer, ranking elected official or other duly authorized employee.

The person that signs the monthly progress report shall include the following Penalty of Perjury statement.

AI certify under penalty of law that this document, including all attachments and supplemental information, was prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of a fine and imprisonment.

Executed on the _____ day of _____, 20___, at _____.

_____(Signature)_____(Title)

q). Pursuant to California Water Code section 13320, the Discharger may seek review of this order by filing a petition with the State Water Resources Control Board (SWRCB). A petition must be sent to the SWRCB, P.O. Box 100, Sacramento, 95812, within 30 days of the adoption of this Order.

r). In the event that Halaco experiences delays in implementing scheduled activities of this Cease and Desist Order, and Halaco submits an extension request with justification, the Regional Board Executive Officer may, at his discretion, extend any specified time period, by a period not to exceed 6 months, to achieve compliance with these requirements; however, in the case of a force majeure event as described below, any time period specified herein

is automatically extended the length of time of the force majeure event. A force majeure event includes, but is not limited to: (a) acts of nature, (b) regulatory delays requiring approval, permits, consents, testing, or other comparable requirements, and/or (c) third party delays, including bankruptcy, strikes, breaches of contract, or other comparable types of delays, provided Halaco could not reasonably have foreseen the delay and taken reasonable steps to avoid the delay.

s). This Order may be reopened and modified to remove or add items to the Time Schedule or to change dates in the time schedule based on the completion of conversion to no discharge. However, no items may be added to the time schedule and no time schedules or dates in the time schedule may be shortened without the Regional Board providing at least 45 days' notice to Halaco and all interested persons of an adjudicatory hearing before the Regional Board regarding the addition of such items or the shortening of such time schedule.

t). If after written notice from the Regional Board to Halaco specifying with particularity Halaco's failure to comply with any provision of this Order, and the failure by Halaco to rectify such specified failure within 30 days thereafter, then the Regional Board Executive Officer may issue an Administrative Civil Liability Complaint pursuant to California Water Code section 13323. This Regional Board may also refer the case to the Attorney General for injunctive and civil monetary remedies pursuant to California Water Code sections 13331 and 13350.

I, Dennis Dickerson, Executive Officer, do hereby certify that the foregoing is a full, true and correct copy of an Order adopted by the California Regional Water Quality Control Board, Los Angeles Region, on February 19, 2002.

_____

Dennis A. Dickerson
Executive Officer

Exhibit A Order 80-58
Exhibit B Analytical Methods

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